

State of California



Fair Political Practices Commission

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(916) 322-5662

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322-6441

November 7, 1984

Thomas J. Harron
City Attorney
City of Chula Vista
276 Fourth Avenue
Chula Vista, CA 92010

Re: Our File No. A-84-²¹⁸~~281~~

Dear Mr. Harron:

This letter is sent to confirm our recent telephone conversations concerning the general application of the conflict of interest provisions of the Political Reform Act.^{1/} The basic conflict of interest statute of the Act provides:

No public official at any level of state or local government shall make, participate in making or in any way attempt to use his official position to influence a governmental decision in which he knows or has reason to know he has a financial interest.

Section 87100.

This section has never been interpreted to mean that a public official may not have certain financial interests. We advise public officials that they are not prohibited from owning property or operating a business. However, a public official must abstain from any governmental decision which could materially affect that property or business.^{2/} Thus, whether

^{1/} Government Code Sections 81000-91014. All statutory references are to the Government Code. I have enclosed copies of our Guide to these provisions.

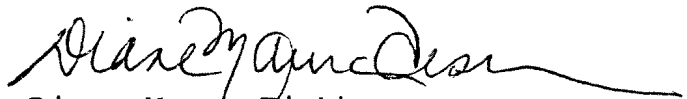
^{2/} An official must also abstain from decisions which could materially affect a source of income to that official of \$250 or more within the 12 months preceding the decision. Section 87103(c).

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a public official has a financial interest in a decision which requires his disqualification depends on the facts and circumstances surrounding the particular decision, I would also like to emphasize that the statute should not be interpreted to imply that there has been any type of violation or impropriety when an official disqualifies himself from a decision because he has a financial interest which could be affected by the decision. An official only has a conflict of interest when he goes ahead and participates in the decision or attempts to influence the decision. If he disqualifies himself from the decision, then he has complied with the statute, and no stigma of impropriety should attach.

If I can be of further assistance, please feel free to contact me at (916) 322-5901.

Sincerely,


Diane Maura Fishburn
Staff Counsel
Legal Division

DMF:plh

Enclosures: Guide to the Political Reform Act
Proposed Regulation 18704.3 for your
review